# ASTRUM RENEWABLES PRIVATE LIMITED

August 06, 2025

| Facilities/Instruments | Amount (₹ crore) | Rating[1] | Rating Action |
|---|---|---|---|
| Long Term Bank Facilities | 239.19 | CARE A-; Stable | Assigned |

Details of instruments/facilities in Annexure-1.

## Rationale and key rating drivers

The rating assigned to the bank facilities of Astrum Renewables Private Limited (ARPL), which is operating a 70MWp solar power plant under the group captive mechanism in Tamil Nadu, factors in the strong parentage by virtue of ARPL being a subsidiary of Cleantech group, which is among the leading renewable energy developers in the commercial and industrial (C&I) segment. The group's stated posture towards ARPL is strong as reflected by the presence of promoter undertaking from Cleantech Solar India OA 2 Pte. Ltd. (CSIOA2) for the entire term of the debt facility. The group's ultimate parent company, Cleantech Renewable Assets Pte Ltd (CRA) is backed by Keppel Consortium (Keppel).

The rating factors in the presence of a long-term (25-year) power purchase agreement (PPA) with a strong counterparty, FS India Solar Ventures Private Limited (FSISV), at a competitive fixed tariff in the range of ₹3.0 – ₹4.0 per unit for the entire tenure, ensuring revenue visibility. Further, the presence of enabling clauses such as lock in period and compensation to the developer in case of an early exit by the customer act as necessary safeguards. Going forward, per CARE Ratings Limited's (CareEdge Ratings') base case, debt protection metrics are expected to be comfortable as reflected by average debt service coverage ratio (DSCR) of over 1.2x for the debt tenor. The rating also derives strength from the presence of one quarter debt service reserve account (DSRA), which is required to be increased to DSRA of two quarters within 15 months from commissioning, per stipulated terms.

However, the rating is constrained due to limited track record of operations as the plant has achieved full commissioning in May 2025. The company's ability to achieve base case generation levels and receive payments timely will be the key credit monitorable. Further, the rating is constrained due to leveraged capital structure on account of debt funded capex incurred for setting up the project. As per CareEdge Ratings' base case, total debt to earnings before interest, taxation, depreciation, and amortisation (TD/EBITDA) is expected to remain above 6.0x for the next few years (starting FY27 which would be the first full year of operations). The company also remains exposed to variations in interest rates as the debt is linked to floating rates. CareEdge Ratings also considers vulnerability of project cash flows to adverse variation in weather conditions.

## Rating sensitivities: Factors likely to lead to rating actions

### Positive factors

- Actual generation levels being in line with designed energy estimates and receivable cycle remaining below 60 days on a sustained basis resulting in strong liquidity position.
- Faster than expected deleveraging of the asset.

### Negative factors

- Significant underperformance in generation and/or increase in debt levels and/or elongated receivables cycle weakening the cumulative DSCR on project debt to less than 1.15x, on a sustained basis.
- Weakening of the group's credit profile or change in linkages/support philosophy between the parent and ARPL.

**Analytical approach:** Standalone plus factoring parent support from CRA which is backed by Keppel which holds ~51% in this group

CareEdge Ratings expects ARPL's ultimate parent, CRA, to extend need-based support to ARPL, should there be a need, given the strategic importance of the latter to CRA.

**Outlook:** Stable

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

The stable outlook on the CARE A- rating of ARPL reflects CareEdge Ratings' opinion that the company would benefit from its long-term PPA with credible counterparty. Expectations of satisfactory generation and collection performance supports the outlook.

## Detailed description of key rating drivers:

### Key strengths

**Strong and resourceful parentage being a subsidiary of Cleantech group**

CRA is the ultimate parent company of ARPL, which is backed by a global asset manager Keppel. In 2022, Keppel acquired a 51% equity interest in CRA. Given the strategic importance of Cleantech group for Keppel in the RE space and economic incentives that the platform offers, Keppel remains committed towards the platform and shall offer need-based support in case of a requirement. Currently, CRA has a total capacity of ~1.1 GWp, of which ~0.9 GWp is operational, and ~0.2 GWp is under different stages of construction.

Further, Cleantech group has remained committed to support the special purpose vehicle (SPV) as evident through need-based funding support provided in the past, and presence of promoter undertaking from CSIOA2 for the entire debt tenor, covering infusing additional funds for debt resizing, and financing O&M and administrative expenses beyond projections of the base case financial model.

**Long-term revenue visibility on account of PPA with strong C&I counterparty**

The company has tied up in a long-term PPA of 25 years with a lock-in of 10 years with FSISV, a subsidiary of First Solar Inc. (FSI), for the entire capacity, at a competitive fixed tariff in the range of ₹3.0 – ₹4.0 per unit for the entire tenure, ensuring revenue visibility.

FSI is a prominent American solar technology company and a global provider of eco-efficient solar modules. Notably, it is the only US-headquartered company among the world's top ten solar manufacturers outside China. ARPL is supplying power to First Solar's facility in Tamil Nadu, spanning six acres, has an annual manufacturing capacity of 3.3GW and employs ~1,000 people. It produces First Solar's Series 7 photovoltaic solar modules, which are developed in the US and optimised for the Indian market.

**Comfortable debt coverage metrics**

ARPL has comfortable debt coverage metrics as reflected by cumulative DSCR of over 1.2x over the debt tenure. The project has tail life of ~4 years providing financial flexibility to the project. Moreover, presence of DSRA covering one quarter of debt servicing obligation provides comfort from the credit perspective.

### Key weaknesses

**Limited track record of operations**

The project achieved full commissioning by May 2025 and thus has a very limited operational track record. The generation performance for the initial months remained lower than designed energy estimates as the project is under stabilisation phase. Going forward, CareEdge Ratings expects the operations to stabilise soon and generation performance to remain in line with designed energy estimates. The company's ability to achieve base case generation levels and receive payments timely will be the key credit monitorable.

**Leveraged capital structure and exposure to interest rate risk**

The SPV's capital structure is leveraged considering the debt-funded capex incurred for setting up the project, reflected by expected TD/EBITDA multiple remaining above ~6x over the next few years (starting FY27 which would be the first full year of operations), in CareEdge Ratings' base case. Given the single part fixed tariff in the PPA and floating interest rates, the profitability remains exposed to increase in interest rates.

**Vulnerability of cash flows to variation in weather conditions**

Project cash flows are exposed to adverse variations in weather conditions given the project's single part tariff. As tariffs are one part in nature, the company may book lesser revenue from non-generation of power due to variation in weather conditions and/or equipment quality. This would affect its cash flows and debt servicing ability. The geographical concentration of asset amplifies the generation risk.

**Liquidity**: Adequate

As on June 30, 2025, the SPV had cash balance of ₹1.0 crore. The entity has created DSRA aggregating to ₹7.13 crore, equivalent to one quarter debt service obligations, which is required to be increased to DSRA of two quarters within 15 months from commissioning per stipulated terms. Going forward, CareEdge Ratings expects the generation performance to stabilise and remain in-line with the P90 estimates and collections to be timely ensuring sufficient internal accruals to service its debt obligations.

As per CareEdge Ratings' base case, annual gross cash accruals (GCA) for FY26 and FY27 is expected to be ~₹12 crore against annual repayments of ~₹6 crore.

## Applicable criteria

Definition of Default
Factoring Linkages Parent Sub JV Group
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Infrastructure Sector Ratings
Solar Power Projects

## About the company and industry

### Industry classification

| Macroeconomic indicator | Sector | Industry | Basic industry |
|---|---|---|---|
| Utilities | Power | Power | Power generation |

Incorporated in April 2022, ARPL is a wholly owned subsidiary of CSIOA2, which is held by Cleantech Solar Asia 2 Pte Ltd (CSA2). The SPV is operating 70 MWp solar power plant in Tamil Nadu. The company has signed a long-term PPA of 25 years with a reputed counterparty FSISV at a competitive fixed tariff in the range of ₹3.0 – ₹4.0 per unit for the entire tenure, ensuring revenue visibility. The plant was fully commissioned in phases by May 2025 and has an operational track record of ~3 months.

**Financial performance:** Not applicable, as the project was recently commissioned by May 2025

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated**: Annexure-4

**Lender details**: Annexure-5

## Annexure-1: Details of instruments/facilities

| Name of the Instrument | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|---|---|---|---|---|---|---|
| Term Loan-Long Term | | - | - | 31 December 2045 | 239.19 | CARE A-; Stable |

## Annexure-2: Rating history for last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---|---|---|---|---|---|---|---|---|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2025-2026 | Date(s) and Rating(s) assigned in 2024-2025 | Date(s) and Rating(s) assigned in 2023-2024 | Date(s) and Rating(s) assigned in 2022-2023 |
| 1 | Term Loan-Long Term | LT | 239.19 | CARE A-; Stable | | | | |

LT: Long-term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable

## Annexure-4: Complexity level of instruments rated

| Sr. No. | Name of the Instrument | Complexity Level |
|---|---|---|
| 1 | Term Loan-Long Term | Simple |

## Annexure-5: Lender details

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|---|
| To view lender-wise details of bank facilities please click here |

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

**Contact us**


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**About us:**

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com



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